## TOWN OF DARIEN PLANNING & ZONING COMMISSION

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February 28, 2023

Connecticut General Assembly Joint Housing Committee

Via email to: <u>HSGTestimony@cga.ct.gov</u>

RE: H.B. No. 5326

H.B. No. 5783

H.B. No. 5784

H.B. No. 5785

H.B. No. 5791

H.B. No. 5793

H.B. No. 5794

Dear Chairmen Luxenberg and Moore, Vice-Chairmen Lesser and Khan, Ranking Members Scott and Sampson, and Members of the CGA Joint Housing Committee:

Thank you for the opportunity to submit testimony on proposed H.B. 5326, H.B. 5783, H.B. 5784, H.B. 5785, H.B. 5791, H.B. 5793, and H.B. 5794. The Town of Darien Planning & Zoning Commission fully supports and endorses these bills introduced by Representative Thomas O'Dea of the 125<sup>th</sup> Assembly District.

**Proposed Bill Number H.B. 5326** (An Act Concerning The Affordable Housing Appeals Process And Removing The Municipal Opt-Out Deadline For Accessory Apartments).

This bill would make significant improvements to the affordable housing appeals process and remove the municipal opt-out deadline for accessory apartments.

As a Commission we have witnessed firsthand how challenging it is to meet the diverse housing needs of our residents and workers. The current 10 percent threshold for affordable housing appeals does not reflect the reality of many communities that have a mix of income-restricted units, deed-restricted units, and other forms of affordable housing that are not counted towards the threshold. This bill would allow these units to be included in the calculation if they meet certain income requirements, which would provide a more accurate measure of affordability and incentivize municipalities to create more diverse housing options.

Additionally, this bill would remove the deadline for any municipality to opt out of the as-of-right allowance of accessory apartments, which expired on July 1st, 2022. Accessory apartments are an important source of affordable housing that can benefit both homeowners and renters by providing additional income and lower-cost living options. By removing this deadline, this bill would give

Letter to Darien CGA Joint Housing Committee RE: Proposed State Legislation February 28, 2023 Page 2 of 4

municipalities more flexibility and autonomy to decide whether or not they want to allow accessory apartments as-of-right in their zoning regulations.

**Proposed Bill Number H.B. 5783** (An Act Establishing A Municipal Right Of First Refusal For Affordable Property Developments).

This bill would empower municipalities to take proactive steps toward addressing the critical need for affordable housing in Connecticut, while preventing the loss of such housing to market forces or speculation.

A municipal right of first refusal would give municipalities a powerful tool to protect and expand affordable housing, especially for state entity controlled properties, in their jurisdictions – it would allow them to match any offer made by a third party for a set-aside development. By doing so, municipalities could assist in the conversion or demolition of existing affordable units, acquire land or buildings for future affordable development, or partner with nonprofit or private developers to create mixed-income or mixed-use projects. Moreover, by requiring that any municipality exercising its right of first refusal complete the development within eight years, this bill would ensure that the right is used effectively and efficiently.

The Town of Darien has made significant efforts to increase our affordable housing stock; however, we also face barriers such as limited land availability and high land costs. A municipal right of first refusal would give the town more flexibility and leverage to pursue our affordable housing goals and meet our obligations under state law.

**Proposed Bill Number H.B. 5784** (An Act Reducing Municipal Conveyance Tax Remittances For Affordable Housing).

The proposed 10 percent reduction in the municipal conveyance tax for affordable housing developed by the community, put forth by this bill, would incentivize municipalities to develop more affordable housing units and retain more revenue for their local needs. It would also lower the cost of acquiring land or buildings for affordable housing purposes.

Reducing municipal conveyance tax remittances for affordable housing would give municipalities a powerful incentive to protect and expand affordable housing in their jurisdictions. It would allow them to keep more of the tax revenue generated by the transfer of real property within their boundaries, which could be used for various purposes such as infrastructure improvement and public services enhancement. It would also make it more feasible for municipalities to acquire land or buildings for future affordable development or preservation.

**Proposed Bill Number H.B. 5785** (An Act Expanding Affordable Housing Appeal Moratoriums).

This bill will expand the number of units that count towards an affordable housing appeal moratorium. Currently, only units that are deed-restricted for at least 40 years and serve households earning less than 80 percent of area median income qualify for a moratorium. This bill will allow units that serve households earning up to 100 percent of area median income and have shorter deed restrictions (at least 10 years) to also qualify.

Letter to Darien CGA Joint Housing Committee RE: Proposed State Legislation February 28, 2023 Page 3 of 4

This change will encourage more municipalities to adopt inclusionary zoning policies that require developers to set aside a percentage of units as affordable in exchange for density bonuses and/or other incentives. Inclusionary zoning is an effective tool for creating mixed-income communities that promote social and economic. It also helps meet the growing demand for affordable housing in Connecticut.

By expanding affordable housing appeal moratoriums, this bill will create more opportunities for people of different incomes and backgrounds to live together in safe and quality housing. This will enhance the quality of life and economic vitality of our state.

**Proposed Bill Number H.B. 5791** (An Act Lowering The Affordable Housing Appeals Threshold In Municipalities That Provide Affordable Housing Funding).

This bill will lower the percentage of affordable housing units that a municipality needs to have in order to be exempt from appeals by developers who want to build affordable housing under section 8-30g of the Connecticut General Statutes. Currently, a municipality needs to have at least 10 percent of its housing units qualify as affordable according to state criteria. This bill will reduce that requirement to 5 percent if the municipality provides funding for affordable housing through its budget.

This bill will reward municipalities that proactively invest in creating and preserving affordable housing for their residents. It will also reduce the burden of litigation and potential loss of local control over land use decisions. It will encourage more collaboration and cooperation between municipalities and developers who share a common goal of providing affordable housing.

By lowering the affordable housing appeals threshold in municipalities that provide affordable housing funding, this bill will recognize and support the efforts of local governments that are committed to addressing the housing crisis in our state.

**Proposed Bill Number H.B. 5793** (An Act Requiring Placards At Real Properties Affected By Affordable Housing Applications).

This bill will require that any real property that is subject to an application for affordable housing under section 8-30g of the Connecticut General Statutes be posted with a placard that contains information about the application, such as the name and address of the applicant, the number and type of units proposed, the percentage of units that will be affordable, and the date and time of any public hearing on the application.

This change will increase the transparency and accountability of the affordable housing application process. It will also inform and engage the public and neighboring property owners about proposed affordable housing developments in their area. It will allow them to voice their opinions at public hearings or through written comments. It will foster more dialogue and collaboration between applicants, local officials, and community members.

This bill will enhance public awareness and participation in the affordable housing development process.

Letter to Darien CGA Joint Housing Committee RE: Proposed State Legislation February 28, 2023 Page 4 of 4

**Proposed Bill Number H.B. 5794** (An Act Concerning Affordable Housing Appeals In Highly Developed Municipalities).

This bill will limit the applicability of section 8-30g of the Connecticut General Statutes, which allows developers to appeal local zoning decisions that deny or unduly restrict affordable housing projects, to municipalities that have less than 50 percent of their land area developed. It will also exempt municipalities that have more than 50 percent of their land area developed and meet certain criteria related to population density, housing diversity, and transit accessibility. Many of our older housing units in dense zones represent some of the lower price point options for fee simple ownership.

This change will protect the integrity of highly developed municipalities that have limited land resources and face challenges such as traffic congestion, environmental degradation, and infrastructure maintenance. It will also recognize and reward municipalities that have already achieved a high level of mixed-use development and smart growth principles that support affordable housing creation and preservation.

This bill will balance the need for more affordable housing options in our state with the respect for local planning and decision-making authority.

We urge you to vote in favor of H.B. 5326, H.B. 5783, H.B. 5784, H.B. 5785, H.B. 5791, H.B. 5793, and H.B. 5794, advancing them to the floor for consideration by the full General Assembly.

Sincerely,

Stephen P. Olvany, Chairman

Darien Planning & Zoning Commission

Cc: Planning & Zoning Commission Monica McNally, First Selectman